

# THE DEMOCRATIC PLAN FOR JOBS, OPPORTUNITY, AND PROSPERITY

The Democratic Plan for Jobs, Opportunity, and Prosperity puts over one million people back to work by the end of 2004 – twice as many as the Republican plan. It cuts taxes for every taxpaying American, providing \$1,630 to a family of four. It puts us back on the path to fiscal responsibility at the same time that it provides real help for the 8.8 million Americans who are still looking for work. And it assists small businesses – the backbone of our economy – with the cost of health insurance and new equipment as they expand.

## A TAX CUT FOR EVERY AMERICAN TAXPAYER

**A tax cut for every American taxpayer.** This new wage credit, which provides \$300 for each adult in a family and \$300 for the first two children, will be available for every working American.

**Accelerating the child tax credit to \$800.** This proposal accelerates the increase in the child tax credit, providing a \$700 credit this year and an \$800 credit in 2004. This proposal provides an additional \$200 to a family of four.

**Eliminating the marriage penalty.** The plan accelerates the doubling of the standard deduction for married couples and provides EITC marriage penalty relief.

*A family of four, making \$50,000 a year, will receive a tax cut of \$1,630 in 2003 under the Democratic Plan.*

## PROVIDING TAX CUTS FOR SMALL BUSINESSES

**Small business health tax credit.** Nationwide, small businesses are struggling to keep their employees insured while cash is tight and health care costs are rising. Democrats are proposing a 50 percent tax credit in 2003, worth \$8 billion, to help small businesses pay their share of insurance premiums.

**Tripling the amount small businesses can expense immediately in 2003.** This proposal would triple the amount of investments small businesses can write off immediately to \$75,000 in 2003.

**Encouraging business investment.** The current multi-year bonus depreciation, allowing businesses to deduct 30 percent of the cost of new equipment, would be replaced with a 50 percent bonus in 2003 to encourage investment.

**Broadband tax credit.** This proposal provides up to a 20 percent tax credit in 2003 for businesses investing in broadband high-speed Internet infrastructure, focused in rural and under-served areas.

## PROVIDING FINANCIAL AID TO STATES

**\$40 billion in immediate aid to state and local governments.** States face the worst fiscal crisis in a half century. Most states have legal requirements to balance their budget each year. This proposal would provide \$40 billion in aid to states, with \$20 billion specifically to offset the increased costs of state Medicaid programs.

## HELPING THE 8.8 MILLION AMERICANS LOOKING FOR WORK

**Unemployment insurance.** This proposal extends and expands unemployment benefits for those looking for work, including the one million people who have already exhausted their benefits. It will also provide benefits to part-time and low-wage workers.

## STANDING FOR FISCAL RESPONSIBILITY

**Strong corporate governance.** This proposal cracks down on corporate tax shelters and extends customs user fees, saving taxpayers \$35 billion over 10 years.